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# KENTUCKY WORKFORCE INVESTMENT BOARD (KWIB)

February 14, 2006

Berry Mansion  
700 Louisville Road  
Frankfort, Kentucky



## **Kentucky Workforce Investment Board**

**Jerry E. Abramson  
Sharon K. Bird  
Charlie Borders  
George A. Burkley, Chair  
Larry Clark  
Martha Layne Collins  
Don R. Doty  
Andrew Frauenthoffer  
Trey Grayson  
Kimberly Black Maffet  
Bill W. May  
Michael B. McCall  
Vernie McGaha  
Kenneth H. Oilschlager  
William R. Parson, Jr.  
Ted R. Richardson  
James E. Shane  
Nancy A. Spivey  
Russell B. Starkey  
Susan Stout Tamme**

**Elizabeth M. Hack, Administrative Coordinator**

**275 E. Main Street 2WC  
Frankfort, Kentucky 40602**

**P. 502.564-2919  
F. 502.564.7452  
[www.kwib.ky.gov](http://www.kwib.ky.gov)**

# KENTUCKY WORKFORCE INVESTMENT BOARD

February 14, 2006, 10:00 a.m.

Berry Mansion

Frankfort, Kentucky

## AGENDA

### BUSINESS MEETING (10:00 a.m.)

- I. Call to Order** – George Burkley (15 minutes)
  - A. Roll Call
  - B. Establishment of Quorum
  - C. Chair’s Welcome and Other Comments
- II. Action Items** (30 minutes)
  - A. Approval of KWIB Minutes
    - November 29, 2005, 10:00 a.m. Meeting ..... 4
    - November 29, 2005, 12:15 p.m. Meeting .....10
  - B. Committee Reports
    - Executive Committee Report
      - June 22, 2005 Executive Committee Minutes .....12
      - Committee Membership List .....19
      - Committee Working Activities .....20
- III. Administrative Reports**
  - A. Workforce Investment Act (WIA) Update (5 minutes)
  - B. WIA Performance (10 minutes).....24
  - C. Base Realignment and Closure (BRAC) Update (10 minutes)
  - D. Office of Career and Technical Education Update (10 minutes)
  - E. Workforce Innovation in Regional Economic Development (WIRED) Update (10 minutes).....25
- IV. Other Business**
- V. Next Meeting:** Tuesday, May 9, 2006
- VI. Adjournment**

Travel Directions to Berry Mansion, 700 Louisville Road, Frankfort, Kentucky 40601:

Phone: (502)564-3000

- From east or west I 64, take exit 53B to Frankfort.
- Follow U.S. 127 South to the intersection with U.S. 60, the Louisville Road.
- Turn right on U.S. 60, the Louisville Road.
- Berry Hill Drive, which leads to the Berry Mansion, is on the left shortly after both Juniper Hills Park and the stoplight at the intersection of Louisville Road and Leawood Drive.
- (If you reach either the Capitol or the look-out point above the Capitol, you have gone too far.)

# **KENTUCKY WORKFORCE INVESTMENT BOARD**

## **November 29, 2005, Meeting #1 Minutes**

10:00 a.m.

Conference Room A, 1024 Capital Center Drive  
Frankfort, Kentucky

### **I. Call to Order**

Mr. George Burkley, Chair, Kentucky Workforce Investment Board (KWIB), called the 10 a.m. meeting to order and requested that the roll be called.

#### Roll Call:

The following members were present: Ms. Sharon Bird, Senator Charlie Borders, Mr. George Burkley, Governor Martha Layne Collins, Secretary of State Trey Grayson, Mr. Don Doty, Deputy Commissioner Andrew Fraenhoffer, Ms. Kimberly Maffet, Mr. Todd Mills, Mr. Bill Parson, Mr. Ted Richardson, (Retired) General James Shane, Ms. Nancy Spivey, and Ms. Sue Tamme.

The following members were absent: Mayor Jerry Abramson, Representative Larry Clark, Judge/Executive Bill May, Dr. Michael McCall, Senator Vernie McGaha, Mr. Ken Oilschlager, and Mr. Russell Starkey.

#### Establishment of Quorum:

The quorum was met with 14 of 21 appointed members present.

#### Comments:

In his introductory comments, Mr. Burkley noted changes in board membership including four new members who had been sworn in at the previous meeting, appointment of other well-qualified prospective members expected by the new year, and the resignations of John Cary (effective November 2, 2005) and Todd Mills (not yet in effect).

Mr. Burkley noted a request from the P-16 Council for KWIB representation and stated that this would be addressed after all new members have been appointed. He encouraged board members to read the article included in the agenda packet entitled "Work Force Training is Critical for Expanding Companies" which placed Kentucky third in comparison to other states.

### **II. Action Items**

#### Approval of Minutes:

The minutes of the April 26, 2005, KWIB meeting were approved as presented following a motion by Senator Borders, seconded by General Shane.

The minutes of the September 20, 2005, KWIB informational meeting were approved as corrected following a motion by Mr. Don Doty, seconded by Ms. Nancy Spivey. The following paragraph from the September 20, 2005, minutes was corrected by Deputy Commissioner Andrew Fraenhoffer as shown below:

Mr. Jeff Mosley, General Counsel of the Education Cabinet, presented background information regarding the rationale and process for giving responsibility for Perkins Act programs to the KWIB. Detailed information is provided in the agenda packet. In response to questions, Mr. Mosley noted that no additional action is required by the KWIB at this time *due to the lack of a quorum* because of action taken by the Executive Committee at its June 22 ~~20~~, 2005, meeting. *However, the actions of the Executive Committee regarding the Perkins program need to be ratified by the full board.*

First Reading of the Statement of Executive Authority and Rules of Procedure (Bylaws):

The first reading of the Statement of Executive Authority and Rules of Procedure (Bylaws) was introduced by Mr. Burkley. Elizabeth Hack highlighted the major changes to the bylaws which included the following:

- Responsibilities regarding the Perkins Act;
- The number of KWIB members returned to the number originally designated;
- Detailing of the KWIB Chairperson's responsibilities;
- Provision for proxies with stipulations including:
  - Advance designation;
  - Allowable at two (2) meetings per year (two board meetings, two committee meetings, or one board meeting and one committee meeting);
  - Designation for one (1) year at a time; and
  - Full voting authority by the proxy on behalf of the member represented; and
- Changes in the committee structure of the board.

Mr. Burkley noted that this constituted the first reading of the revised bylaws and called for any related discussion. There was none.

Perkins Act Responsibilities Plan:

Mr. Burkley summarized the background of the KWIB's role with the Perkins Act and the action of the Executive Committee. Mr. Emil Jezik, Executive Director, Office of Career and Technical Education, provided additional information about the Perkins Act and related activities.

Mr. Jezik stated that the purpose of the Perkins Act is to more fully develop the academic, vocational, and technical skills of secondary and postsecondary students who enroll in vocational and technical education programs by building on efforts of state and localities, promoting development services and activities that integrate academic and vocational technical instruction, link secondary and postsecondary technical education,

and provide services and activities designed to develop, implement, and improve vocational education.

He stated that Perkins, a federal act, provides federal dollars to help promote and support each state in carrying out its own vocational education programs and that state and matching funds also support Perkins programs. He reiterated the KWIB's responsibility for coordinating the development and submission of the State Plan; seeking input from the Governor, other agencies, teachers, parents, students, administrators, counselors, labor unions, business and industry representatives, and special-need students' representatives in developing the state plan; and meeting as the eligible agency at least four times each year.

Mr. Jezik noted that congressional reauthorization of the Perkins Act is expected in the next session; that Kentucky is now operating from a seven-year old state plan; and that following reauthorization, changes will be made and the KWIB will have an active role in approving the new state plan. He spoke of the difficulty in obtaining interim reports from participating institutions due to the process and reporting system that is geared to provide data at the end of the year. However, staff is fully engaged and is following performance measures and standards put in place seven years ago.

Ms. Sue Tamme raised questions regarding Kentucky's receipt of all funding possible, including matching funds.

Mr. Jezik responded that the Perkins Act programs are on track, but that adult education and WIA programs also influence the receipt of incentive funding. While Kentucky did not receive incentive funding in the previous year, it had received incentive funding for the three prior years.

Mr. Jezik reported that overall funding is not in jeopardy. Kentucky expects to receive \$20 million next year, with 51 percent designated for postsecondary career and technical education, and 49 percent designated for secondary career and technical education.

In response to other questions from Ms. Tamme and Mr. Burkley, Mr. Jezik responded that the amount of incentive funds available varies from year to year and that Kentucky had received as much as \$300,000. (Records show, however, that in previous years Kentucky has received as much as \$3 million.) Because of the difficulty in collecting data prior to the end of the year, Mr. Jezik stated that it may be necessary to penalize some institutions in order to impress on them the importance of submitting timely and accurate required data.

Governor Collins noted her appreciation for the new committee structure and the importance of the Awareness Committee in informing Kentuckians of the competition for business and industry, particularly competition from other countries such as China with its greater population and larger number of engineers.

The discussion continued with input from Todd Mills, Secretary of State Trey Grayson, and Deputy Commissioner Andy Fraenhoffer which led to the stated intention of submitting in the second KWIB meeting a formal motion emphasizing the importance of timely and accurate data reporting by all participating institutions and the intent of the KWIB to support the Office of Career and Technical Education in its efforts to ensure that all possible funding is realized. Mr. Jeff Mosley, General Counsel of the Education Cabinet, offered to assist in drafting appropriate language for the motion.

Mr. Mosley directed the attention of the KWIB to the motions (pp. 37-38 of the agenda book) submitted to and approved by the Executive Committee on June 22, 2005, regarding assumption of responsibilities for Perkins Act programs by the KWIB, noting the full board's role in ratifying the Executive Committee's decision.

Mr. Ted Richardson moved that the KWIB ratify the motions to assume responsibility for Perkins Act programs that had been approved by the Executive Committee. The motion was seconded by Ms. Tamme. There was no further discussion. The motion passed with no opposition.

Mr. Burkley reported that Emil Jezik will retire at the end of January 2006.

#### Labor Market Information (LMI) Report:

Mr. Carlos Cracraft, Manager of the Research and Statistics Branch, provided a brief summary regarding the Kentucky Core Products and Services Annual Report. The Report is developed according to federal guidelines and covers a July-June fiscal year. The annual report grades the Branch on what has been done and is due by September 30. Since completion of the annual report, Branch staff have spoken to high school guidance counselors about the information that is available regarding careers, available jobs, and salaries.

A motion was made by Ms. Nancy Spivey and seconded by Mr. Don Doty to ratify the action taken by the Executive Committee to approve the 2006 State Plan. The motion was approved with no opposition.

Following approval of the motion, several issues were raised in general discussion including how the data collected by the Research and Statistics Branch fits into performance standards, what can be done to increase response rates, how available information is marketed, and the need for high school counselors to be more knowledgeable about available information and the prospects for students through career and technical education.

Mr. Cracraft responded that many issues impact data collection and its use. There may be a mismatch between skills, education, locations, and employer needs. While the Branch has begun to do some marketing, this is a weak area and more needs to be done. Mr. Burkley stated that a way needs to be found to assist with talking points.

### **III. Administrative Reports**

#### Workforce Investment Act (WIA) Update:

Ms. Susan Craft, Director, Workforce and Employment Services Division, provided an update on the Workforce Investment Act (WIA), noting the following:

- Within the next few days the Senate is expected to approve Senate Bill 1021 to reauthorize the Workforce Investment Act.
- The House rejected a spending bill (H.R. 3010) that would have allowed FY 2006 labor programs to operate through December 17. It was reported that concern over too little funding for favored programs and projects led to the negative votes.
- Details of the defeated bill and its amendments, including reduction of UI state operations grants by \$125 million, reduction of adult programs by \$31 million from FY2005 levels, and WIA youth program reduction of \$36 million from the FY 2005 level provide information about likely future decisions.
- Kentucky recently received two grants (one for \$200,000; another for \$1.1 million) from the USDOL to serve Hurricane Katrina evacuees.
- U.S. Secretary of Labor Elaine Chao has announced a new initiative called the Workforce Innovation in Regional Economic Development (WIRED) that will address global economic competitiveness. WIRED will fund \$15 million to 8-10 sites where multiple partners can work to cooperate and rebuild regional economies. Grant applications are due by January 5, 2006.

Mr. Burkley asked how the KWIB can support the WIRED effort to ensure that Kentucky is effectively engaged. Ms. Sharon Bird questioned whether the January due date would make it difficult to bring others into the process. Governor Collins and Ms. Bird each suggested individuals (Dean Lester at the University of Kentucky, Kay Hoffman at the UK School of Social Work, and graduate students to help with grant writing) who might be helpful in drafting Kentucky's grant proposal. Ms. Spivey mentioned the need for more engineers.

Ms. Craft responded that the Governor's energy strategy, including both coal and power industries, may be involved as well as integrated (automobile) manufacturing. A December 7, 2005, 'webinar' may provide an avenue for involvement. Ms. Craft indicated plans to build on work already done in writing the grant. She also noted the five questions used by the Council on Postsecondary Education as a good way to evaluate workforce development efforts.

#### WIA Performance:

Ms. Linda Prewitt, Supervisor, Finance Section, Budget and Support Branch, Workforce and Employment Services Division, provided an overview of the WIA performance measures (pp. 55-60 of the agenda book). She noted that the measures are the same for the 2004 and 2005-2006 fiscal years but the way of calculating performance had changed somewhat. She also noted that there is a strong possibility that the 70 percent satisfaction requirement may be waived. Ms. Prewitt stated that data validation is conducted by a hand check process to ensure that dollars are not lost because of data not meeting



standards. Staff plans to meet and work with local areas regarding data. She also stated that because Kentucky received more than 500 response forms, the 70 percent response rate is not required.

Local Workforce Investment Areas Update:

Ms. Susan Craft gave a summary of the Local Workforce Investment Areas (LWIAs) and their relationship with the state agency, noting the central office's responsibilities regarding distribution of funds, with 15 percent set aside for administration and 85 percent being distributed directly to the LWIAs. She mentioned the central office responsibility for monitoring the work of the LWIAs and the integration of local plans with the state plan. She reported that Local Workforce Board Membership is certified by the state office. However, while the state office provides guidance and training regarding USDOL initiatives, as much flexibility as possible is given to the LWIAs to allow them to address differing local needs and situations. The LWIAs are part of the Kentucky one-stop system. Ms. Craft meets with LWIA directors monthly and central office staff work with local area staffs regarding youth, Wagner Peyser, and other programs.

In response to questions and comments raised by Ms. Bird, it was noted that the monthly meetings are sponsored by the local area directors, not by the central office; therefore, the directors determine who will be invited to the meetings. Ms. Hack was asked to explore the possibility of a KWIB member attending the directors' meetings.

Base Realignment and Closure (BRAC) Update:

Ms. Hack shared comments about Base Realignment and Closure (BRAC) from Sherry Johnson, Director of the Lincoln Trail Local Workforce Investment Area. Ms. Johnson was unable to attend. The Lincoln Trail area will have the greatest impact from the Base Realignment and Closure process. The Louisville area will also be impacted by BRAC. Lincoln Trail has contracted with a vendor to develop a website to provide related information and services. Community forums have been held and the LWIB plans to continue hosting forums.

General James Shane provided additional information about the BRAC process and implications for Kentucky. He stated that the magnitude of change is tremendous but not well understood. Approximately 5,000 new jobs will come into the area which could lead to an increase of approximately \$254 million in annual income, plus another \$500 million in military construction and \$250 million in on-going projects, for a total of nearly \$1 billion for Kentucky. The process started three years ago with involvement from the Kentucky General Assembly. The state invested less than \$1 million in consultants. Kentucky hopes to receive 70 percent of reallocation funding. He noted in particular that it is very important for the state to have a presence in Washington, D.C.

Adjournment:

Following a motion by Mr. Bill Parson, seconded by Mr. Ted Richardson, the meeting was adjourned at 11:58 a.m.

# **KENTUCKY WORKFORCE INVESTMENT BOARD**

## **November 29, 2005, Meeting #2 Minutes**

12:15 p.m.

Conference Room A, 1024 Capital Center Drive  
Frankfort, Kentucky

### **I. Call to Order**

Mr. George Burkley, Chair, Kentucky Workforce Investment Board (KWIB) called the second November 29, 2005, KWIB meeting to order at 12:15 p.m. and requested that the roll be called.

#### Roll Call:

The following members were present: Ms. Sharon Bird, Senator Charlie Borders, Mr. George Burkley, Governor Martha Layne Collins, Secretary of State Trey Grayson, Mr. Don Doty, Deputy Commissioner Andrew Frauenthoffer, Ms. Kimberly Maffet, Mr. Todd Mills, Mr. Bill Parson, Mr. Ted Richardson, (Retired) General James Shane, Ms. Nancy Spivey, and Ms. Sue Tamme.

The following members were absent: Mayor Jerry Abramson, Representative Larry Clark, Judge/Executive Bill May, Dr. Michael McCall, Senator Vernie McGaha, Mr. Ken Oilschlager, and Mr. Russell Starkey.

#### Establishment of Quorum:

The quorum was met with 14 of 21 appointed members present.

#### Continued Business:

Mr. Burkley requested that Secretary of State Trey Grayson read the statement regarding the Perkins Act prepared following adjournment of the 10:00 a.m. KWIB meeting. Secretary Grayson presented the following statement as a formal motion:

By virtue of Executive Order 2005-327, the KWIB has assumed the duties of the "eligible agency" pursuant to 20 USC 2302(9). As the Board assumes its additional duties, it will endeavor to encourage and assist all state agencies that receive Perkins dollars to maximize the receipt of all potential federal Perkins funds, including incentive funds.

It is the understanding of KWIB that timely and accurate reporting of data to the Office of Career and Technical Education (OCTE) in the Education Cabinet via the TEDS system is vital to OCTE's duty to report said information to the federal government.

Please take any and all necessary steps to ensure that your agency is accurately and promptly reporting all relevant information to OCTE upon their request. The KWIB appreciates your support in helping the Commonwealth maximize any and all dollars to which it may be entitled.

The motion to approve the preceding statement was seconded by Ms. Sue Tamme. The motion was approved with no opposition.

Approval of Minutes:

The approval of the 10:00 a.m., November 29, 2005, KWIB meeting minutes was tabled until a subsequent meeting.

Second Reading of the Statement of Executive Authority and Rules of Procedure (Bylaws):

Mr. Burkley presented the second reading of the revised Statement of Executive Authority and Rules of Procedure, mentioning the primary changes to the committee structure and provision for proxies.

Mr. Don Doty moved that the revised Statement of Executive Authority and Rules of Procedure (Bylaws) be approved as presented. The motion was seconded by Ms. Nancy Spivey. The motion was approved with no opposition.

Committee Membership:

Mr. Burkley directed attention to the list of committees on page 61 of the agenda book. He noted that due to Mr. Mills impending resignation, Ms. Nancy Spivey will be the chair of the Access Committee. He then stated his plans to call the committee chairs at the beginning of next year to set up committee meetings.

2006 Meeting Dates:

The dates of the 2006 KWIB meetings were noted. The KWIB meetings will be scheduled for 10:00 a.m. at locations to be determined.

Annual Report:

Ms. Elizabeth Hack presented the Workforce Investment Act Annual Report. Copies had been distributed to each of the KWIB members.

The meeting was adjourned.

**Kentucky Workforce Investment Board  
Executive Committee Meeting Minutes  
June 22, 2005**

Executive Director's Conference Room  
Human Resources Building  
275 East Main Street  
Frankfort, Kentucky

Notification of the June 22, 2005, Kentucky Workforce Investment Board (KWIB) Executive Committee Meeting was submitted on May 16, 2005, and May 24, 2005, to the Education Cabinet for its June 2005 Media Advisory. This information was published in the Education Cabinet Media Advisory on May 31, 2005, for public notice of the meeting. In addition, the meeting notice was posted on the KWIB's Web site at [http://www.kwib.ky.gov/kwib\\_calendar.htm](http://www.kwib.ky.gov/kwib_calendar.htm).

Chairman George Burkley called the Executive Committee of the Kentucky Workforce Investment Board to order at 10:05 a.m., Wednesday, June 22, 2005.

Roll was called with the following members present: George Burkley, Senator Charles Borders, Andrew Fraenhoffer, Secretary of State Trey Grayson.

Members absent were Sharon Bird, John Cary, Representative Larry Clark, Governor Martha Layne Collins, and Dr. Michael McCall.

In accordance with KWIB bylaws, a committee quorum was established with four members in attendance.

Other attendees were Dr. Keith Bird (on behalf of Dr. McCall for KCTCS), Dr. Penny Armstrong, Lora Hawkins (on behalf of Representative Larry Clark), Emil Jezik, Jeff Mosley, Kathy Newton, Elizabeth Hack, and Barbara Cook.

Chair's Comments:

- Chairman Burkley reviewed the agenda items to be discussed in the Executive Committee meeting and commented regarding the following:
  - Proposed committee restructuring
    - The possibility of implementing the new committee structure through current committee chairs prior to formal approval of the revised bylaws was discussed.
    - Two readings of the proposed bylaws in full KWIB meetings are required before the revised bylaws become effective.
  - WIA reauthorization process
    - Elizabeth Hack reported that HR27 has been approved by the U.S. House of Representatives, but while S 1021 has come out of the Senate HERP Committee, the bill has not been introduced to the full Senate.

- Implications for future KWIB responsibilities
  - The KWIB could have significantly strengthened responsibilities following WIA reauthorization.
- KWIB membership
  - The return of KWIB membership to 25 from a high of 33 members is formalized in the revised bylaws.
  - Ten new members are to be appointed.
  - There are no term limitations for KWIB members. KWIB members are appointed for four-year terms.
  - There are several representation elements to be considered, such as business and geographic representation.
  - The need for more fluid dialog with local representatives and local boards was noted.
  - KWIB members should encourage others to apply for KWIB membership. Ms. Hack will provide information about the application process.
- The August 23, 2005, date for the next full KWIB meeting will be changed because of a national conference for state board chairs scheduled for this time. Ms. Hack will poll board members to determine the best replacement date.
- Legal counsel has advised that members must be present at meetings for discussion; participation via conference call is not permissible.
- Given the anticipated limitation of proxy use to two meetings per year, following discussion, it was determined that attendance by a proxy at a committee meeting should be considered one of the permitted proxy attendances per year. A sentence to this effect is to be added to the bylaws.

Discussion Items:

- A. By a motion made by Andrew Frauenhoffer and seconded by Secretary of State Trey Grayson, the minutes of the April 12, 2005, Executive Committee meeting were approved as presented.
- B. Chairman Burkley introduced Emil Jezik, Executive Director of the Office for Career and Technical Education, who summarized the Perkins Act, requesting KWIB Executive Committee ratification of the Perkins state plan and activities.

Mr. Jezik noted the following:

- The Office of Vocational and Adult Education (OVAE), U.S. Department of Education, oversees the Perkins Act.
- The Perkins Act is a federal funding source dedicated to career and technical education which was formerly known as vocational education.
- Perkins Act funds are allocated to states to be used by all participating entities, including secondary and postsecondary institutions and organizations.
- The funds are intended to supplement state funds for technical education.
- The funding is solely for students in career and technical education paths.

- An RFP process is used to determine distribution of funds to schools and institutions.
- The first Perkins Act five-year state plan was approved by the Kentucky State Board for Adult and Technical Education in 1999. All vocational entities and the Kentucky governor's office were involved in development of the Plan. The Plan was completed on July 1, 2000.
- The State Board for Adult and Technical Education approved revised performance measures for the Perkins Act State Plan on July 1, 2001.
- Any changes to the Kentucky Perkins Act State Plan were made at the directive of the OVAE. Changes were for the purpose of continuous improvement. Revised standards were required by the OVAE.
- The Kentucky State Board for Adult and Technical Education was abolished in 2000.
- WIA reauthorization will impact the Perkins Act. A new state plan has been delayed because of the delay in WIA reauthorization. Additional funding is anticipated following reauthorization.
- The Technical Education Data System (TEDS) was developed for Perkins Act program accountability purposes. Using data collected, benchmarks were established in seven categories.

A period of discussion followed, with questions raised regarding accountability, industry involvement, and publicity of Perkins Act programs (Senator Borders); what had happened to the old state board for adult and technical education (Secretary Grayson); connections between Perkins Act programs and WIA programs and one stops (Chairman Burkley); and the role of the KWIB in developing and approving the Perkins Act State Plan and setting performance measures (Dr. Armstrong).

Mr. Jezik reiterated the importance of accountability in the state plan, noting the role of public forums in developing the plan, as well as federal restrictions. He commented on the importance of informing students and their parents of the opportunities available through Perkins Act programs. He acknowledged that Perkins and WIA programs may not connect in that each is designed for different groups. The role of the KWIB will be to approve the state plan; the plan is developed by the Office of Career and Technical Education. The KWIB may be informed of funding allocations and projects to which the funds are allocated but it will not have a hands-on role in making funding determinations.

Mr. Jezik stated that today's request is for the KWIB to ratify any changes made in the previous state plan by directive of the OVAE.

Jeff Mosley, General Counsel of the Education Cabinet, summarized the legal and technical aspects of the request for the KWIB to endorse the Perkins Act's current State Plan.

The Perkins Act requires an “eligible agency” to oversee and approve the Perkins Act state plan. After the prior board was abolished, no eligible agency was designated to oversee the distribution of Perkins funds. Then governor Paul Patton signed an executive order assigning Perkins Act responsibilities to the KWIB but the language used, to review and endorse, did not meet federal requirements. Therefore, on April 6, 2005, Governor Fletcher signed a new executive order with the amended terminology, making the KWIB the eligible agency.

- Senator Borders raised questions about how to ensure accountability.
- Mr. Mosley suggested that one of the KWIB committees could be assigned responsibility for monitoring the Perkins Act.
- Mr. Frauenhoffer acknowledged that the KWIB would need to track the Perkins Act.
- Mr. Jezik stated that students are tracked for five years and offered to share current accountability information based on seven categories with stringent requirements.
- Dr. Bird noted the need to integrate information about eligible providers, the kind of information gathered by the Council on Postsecondary Education, and the 60 indicators tracked by KCTCS.

Copies of five previously-prepared motions regarding the Perkins Act were distributed to committee members and attendees. Andrew Frauenhoffer, Department for Workforce Investment Deputy Commissioner and KWIB member, read each motion. After each motion was made and seconded, opportunity was given for discussion followed by a vote of approval or opposition.

Motion #1:

Pursuant to Article II, Section 1 of the By-laws of the Kentucky Workforce Investment Board, move that the Executive Committee of the Kentucky Workforce Investment Board, authorizes the Chair of the Kentucky Workforce Investment Board to execute any and all certifications required by 34 CFR Section 76.104 of the Education Department General Administrative Regulations (EDGAR);

Motion: Andrew Frauenhoffer; Second: Senator Charles Borders. The motion was approved with no opposition.

Motion #2:

Pursuant to Article II, Section 1 of the By-laws of the Kentucky Workforce Investment Board, move that the Executive Committee of the Kentucky Workforce Investment Board officially and formally adopts the State Plan for the Carl D. Perkins Vocational and Technical Education Act of 1998 dated March 23, 2000. Further, move the Executive Committee of the Kentucky Workforce Investment Board to authorize the Department of Workforce Investment, Office of Career and Technical Education and its duly authorized officials to make any

and all changes to the Perkins State Plan regarding the new governing structure in order to comply with the provisions of Executive Order 2005-327;

Motion: Andrew Fraenhoffer; Second: Senator Charles Borders. The motion was approved with no opposition.

Motion #3:

Pursuant to Article II, Section 1 of the By-laws of the Kentucky Workforce Investment Board, move that the Executive Committee of the Kentucky Workforce Investment Board, officially and formally ratifies any and all actions taken by the former Commissioner of Technical Education, the current Executive Director of the Office of Career and Technical Education (Emil Jezik), the former Department of Technical Education and the Office of Career and Technical Education regarding the administration of the Perkins program. The actions that are formally ratified include but are not limited to any and all actions taken between July 14, 2000 and April 6, 2005 consistent with the state plan, for any period a state board was not in place and performing the functions of the eligible agency. Specifically, the Executive Committee officially and formally ratifies any and all revisions made to the State Plan namely, the revisions to the performance indicators made for fiscal years 2002, 2004 and 2006 and the narrative revisions made for fiscal year 2005 and 2006;

Motion: Andrew Fraenhoffer; Second: Secretary of State Trey Grayson. The motion was approved with no opposition.

Motion #4:

Pursuant to Article II, Section 1 of the By-laws of the Kentucky Workforce Investment Board, move that the Executive Committee of the Kentucky Workforce Investment Board officially and formally delegates the Kentucky Workforce Investment Board's "eligible agency" responsibilities except those responsibilities set forth in section 121(a)(1) of Perkins III to the Office of Career and Technical Education, Department of Workforce Investment. Said Office is currently managed, directed and headed by the Executive Director, Emil Jezik. These responsibilities include but are not limited to the day-to-day administrative responsibilities of the program, the management, the administration and the supervision of activities listed in Perkins III;

Motion: Andrew Fraenhoffer; Second: Secretary of State Trey Grayson. The motion was approved with no opposition.

Motion #5:

Pursuant to Article II, Section 1 of the By-laws of the Kentucky Workforce Investment Board, move that the Executive Committee of the Kentucky Workforce Investment Board officially and formally delegates the Kentucky Workforce Investment Board's "eligible agency" authority to receive, hold, and disburse funds awarded under the Perkins State Plan to the Department of Workforce Investment, Office of Career and Technical Education and its duly authorized officials. Said Office is currently managed, directed and headed by the Executive Director, Emil Jezik;



Motion: Andrew Fraenhoffer; Second: Senator Charles Borders. The motion was approved with no opposition.

Discussion regarding the motions raised the following points:

- The action by the Executive Committee will be presented for ratification by the full KWIB although the Executive Committee has the authority to take such action when necessary because of time constraints as is the case at this time.
- Day-to-day Perkins Act responsibilities are given to Emil Jezik, Office of Career and Technical Education.
- The authority of the KWIB is to approve the Perkins Act state plan. All Perkins Act expenditures must be in accordance with the state plan.
- The only changes made in the Perkins Act plan have been to performance measure standards mandated by the Office of Vocational and Adult Education (OVAE).
- The Kentucky Office of Career and Technical Education will provide to the KWIB for inclusion in its next meeting packet copies of letters from the OVAE regarding the outcome of Perkins Act audits.
- In response to a request by Secretary of State Grayson, Mr. Mosley will provide a narrative for distribution to the KWIB regarding the rationale for the action taken. Mr. Mosley will also provide two or three paragraphs summarizing his statements regarding the Perkins Act process and motions.
- Mr. Mosley pointed out the statement in the middle of Motion 3 that the KWIB is asked to ratify only those Perkins activities and action that are “consistent with the state plan.”

C. Statement of Executive Authority and Rules of Procedure

- The bylaws, as revised in response to previous KWIB discussions, were presented and reviewed with the following comments and notes. Proposed changes were identified by Ms. Hack.
  - Responsibilities for the Perkins Act will be added to the bylaws under II. Duties of the Kentucky Workforce Investment Board.
  - Appropriate wording regarding the number of committee and full board meetings to which a member may send a proxy will be drafted by Ms. Hack and Mr. Mosley.
    - The KWIB’s decision that a proxy may be sent to two meetings per calendar year will be clarified to reflect that the meetings may be full board meetings, committee meetings, or a combination of both.
  - Regarding ratification of action taken by the Executive Committee, language that such actions are to be presented at the “next regularly scheduled meeting” is to be retained.
  - The bylaws go into effect immediately after the second reading.
  - Chairman Burkley will ask existing committee chairs to begin functioning with new committee responsibilities prior to completion of the bylaw approval process.

- A motion was made by Secretary Grayson and seconded by Senator Borders to take the revised bylaws to the full board for the first reading. The motion was approved with no opposition.
- D. Workforce Information Core Products and Services Plan, PY 2005
- Ms. Hack provided background information regarding this plan, otherwise known as the LMI (Labor Market Information) plan. Ms. Hack has been extensively involved in development of the plan for which KWIB approval is required. Given the short time from the federal request for the plan to its due date, the Executive Committee is asked to take the appropriate action.
  - Senator Borders moved, with a second by Secretary Grayson, that Chairman George Burkley sign the appropriate letter indicating the KWIB Executive Committee's approval of the plan. The motion was approved with no opposition.
- E. Committee Redesign
- The process for presenting the details of the proposed committee redesign was discussed. A process combining personal phone calls regarding committee assignments and a full-membership distribution of suggested committee structure will be followed.

The meeting was adjourned at 11:55 a.m. by a motion by Andrew Fraenhoffer, seconded by Secretary of State Trey Grayson. There was no opposition.

## KWIB COMMITTEES

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<u>Committee</u>	<u>Charge</u>	<u>Members</u>
Access	(Getting it done - administration) Eliminate barriers to use by individuals, delivery solutions to business	Spivey (Chair), Clark, Doty, May, McGaha
Accountability	(Performance) Performance measures refined and managed, ensure continuous performance improvement	Maffet (Chair), Borders, Richardson, Shane
Alignment	(How to get it done - model) Align to business needs, expand partnerships (internal and external), enhance information	Collins (Chair), Frauenhoffer, McCall, Parson, Tamme
Awareness	(Promotion) Awareness - public and business, sense of urgency, promote one-stops	Bird (Chair), Abramson, Grayson, Starkey
Executive	Interim decision making, legislative activity coordination, board productivity assessment and recommendation	Burkley (Chair), Bird, Collins, Maffet, Clark, Borders, Grayson, Frauenhoffer, Spivey

**AWARENESS COMMITTEE**  
2006 KWIB Committee Activities

Promotion / Sense of Urgency / Education

*Creating a sense of urgency at the state and local level about the importance of a competitive workforce, and ensuring that industry clusters, employers and workers know of the workforce development tools and services available to increase their competitiveness and productivity*

**Goals:**

1. **To create a sense of urgency...** that will inform and motivate local constituents, state and local policy makers, business, education and political leaders about the critical nature of addressing workforce and economic development challenges

***Objectives:***

- a. To develop and distribute tools that can be used at multiple levels to inform policy makers, partners and the public about the importance and urgency of workforce development
- b. To plan and hold local, regional and statewide meetings to motivate partners and the public
- c. To identify and engage traditional and non-traditional partners to assist them in better understanding the sense of urgency and potential solutions related to creating a competitive economic development and workforce advantage for Kentucky

2. **To promote the one-stop system...** so that Kentucky WorkNet is known to businesses and individuals

***Objectives:***

- a. To make the one-stops widely known to Kentucky's businesses and individuals
- b. To enhance the quality of services statewide through the promotion of promising practices

**Initial Activities:**

- Speaker Series
- Promotional Tools, Campaign(s)
- BRAC
- PowerPoint Presentation
- Communication Avenues

**ALIGNMENT COMMITTEE**  
2006 KWIB Committee Activities

Strategy / Forward Looking / Models

***Building a demand-driven system that clearly reflects the employment needs of industry clusters, knows the status of the available labor pool, and promotes strategies to assure a competitive labor pool in terms of quality and quantity***

**Goals:**

1. **To strengthen partnerships...** among education, workforce, economic development, community development and business

***Objectives:***

- a. To leverage resources for increased efficiency and effectiveness
- b. To increase the flexibility, innovation and responsiveness of partners to better meet demand and supply customer needs
- c. To ensure that all system stakeholders (professionals and volunteers) have the skill sets necessary for system success
- d. To strengthen communications and working relationships between the local WIBs and the KWIB

2. **To align to business needs...** through a demand driven, agile, responsive system that delivers workforce solutions to the business community

***Objectives:***

- a. To develop and promote a demand driven system approach to workforce and economic development
- b. To facilitate and promote the delivery of responsive, demand-driven programs and curricula by educational institutions and other service providers
- c. To ensure that all workers (current, future and potential) have the skills necessary to meet the changing needs of business...fill the skills gaps

3. **To enhance the comprehensive workforce information system...** through an intelligent, future oriented approach

***Objectives:***

- a. To identify supply and demand needs on an ongoing basis
- b. To enhance and promote Kentucky's workforce information system
- c. To gather up-to-date information (not available through formal data collection systems) through enhanced environmental scanning

**Initial Activities:**

- Link with Economic Development / Education / etc.
- Explore and initiate use of Skills Panels
- Be proactive to job seekers and business community

**ACCESS COMMITTEE**  
2006 KWIB Committee Activities

Administrative / Current Model / Effectiveness of Delivery Systems

***Identifying and eliminating barriers that inhibit workers from getting the education and training needed to be employable and employers from getting the quantity and quality of the workforce needed***

**Goals:**

1. **To eliminate barriers for individual workers ...** students, workforce entrants, dislocated workers and incumbent workers – so they can easily access and pursue continuous learning opportunities

***Objectives:***

- a. To increase access for persons with disabilities, older workers, non-English speakers, youth and other targeted populations
- b. To provide exemplary customer service
- c. To create a quality of life environment that attracts and retains workers
- d. To increase life long learning opportunities and the ease of transition between/among educational institutions
- e. To identify additional resources (grants, etc.) in anticipation of diminishing state and federal resources

2. **To deliver “workforce solutions” to the business community...** by increasing access for businesses to workforce services

***Objectives:***

- a. To make services to businesses seamless and responsive
- b. To identify additional resources (grants, etc.) in anticipation of diminishing federal and state resources

**Initial Activities:**

- Link to Local WIBs
- One-Stop Best Practices
- Link to Business Community
- Monitor Performance (CQI)
- Disabled Workers
- Technical Assistance
- Kentucky Workforce Tool Kit

**ACCOUNTABILITY COMMITTEE**  
2006 KWIB Committee Activities

Measuring Performance

*Developing systems to measure and report the state and local impact of the workforce development system*

**Goals:**

1. **To measure and report the quantitative and qualitative workforce system impact on local, regional, and state economies and individuals**

***Objectives:***

- a. To develop specific measures/models that “resonate” with policy makers, business and other constituents

2. **Ensure continuous improvement of the Kentucky workforce system**

***Objectives:***

- a. To satisfy business demand side customers
- b. To satisfy supply side customers
- c. To respond to a continually changing economic and societal environment

Initial Activities:

- Identify Available Resource Data
- Design of Reporting Tools / Report Sets to Roll up to the Board
- Management by Measurement

# WIA Federal Performance Standards

## Program Year 2005 Second Quarter (Preliminary)

Cumulative Four-Quarter Reporting Period for Quarter Ending 12/31/05

Population	Negotiated Rate	Second Quarter Performance
<b>Adults</b>		
Entered Employment Rate	77%	78.4%
Six Month Retention Rate	84%	73.9%**
Six Month Earnings Change	\$4,600	\$4,967
Employed & Earned Credential	59%	59%
<b>Dislocated Workers</b>		
Entered Employment Rate	80%	72.2%**
Six Month Retention Rate	88%	81.4%**
Six Month Wage Replacement	-\$1,300	-\$807
Employed & Earned Credential	56%	59.8%
<b>Older Youth (Age 19-21)</b>		
Entered Employment Rate	71%	74.7%
Six Month Retention Rate	84%	81.4%**
Six Month Earnings Change	\$3,300	\$3,339
Employed & Earned Credential	44%	55.5%
<b>Younger Youth (Age 14-18)</b>		
Skills Attainment	83%	84.1%
Earned Diploma/GED	68%	65.6%**
Six Month Retention Rate in a Positive Activity	63%	63.7%
<b>Youth Common Measures – Not negotiated</b>		
Placement in Employment or Education		55.7%
Attainment of Degree or Certificate		57.6%
Literacy or Numeracy Gains		0.0%

\*Although the Youth Common Measure outcomes are reported to the Department of Labor, states will not be held accountable for these measures during Program Year 2005.


\*\*Department of Labor considers any measure outcome within 80% of negotiated rate as “meeting” the negotiated rate. If outcome is at or above negotiated rate, Department of Labor considers it “exceeding” the negotiated rate.





## U.S. Department of Labor

### News Release

 [Printer-Friendly Version](#)

**ETA News Release: [2/01/2006]**

**Contact Name: David James or Mike Volpe**

**Phone Number: 202-693-4676 or 202-693-3984**

**Release Number: 06-0177-NAT**

### **Secretary of Labor Elaine L. Chao Announces \$195 Million for President Bush's Competitiveness Agenda**

**WASHINGTON** — U.S. Secretary of Labor Elaine L. Chao today announced a major component of President Bush's Competitiveness Agenda, unveiled last night during the State of the Union Address. Through the **WIRED** (Workforce Innovation in Regional Economic Development) initiative, the U.S. Department of Labor will invest \$195 million in thirteen regional economies.

"We are launching the **WIRED** initiative to encourage regional communities to partner together and leverage their collective public and private sector assets and resources to develop a more highly skilled workforce that can act as the linchpin to attract new economic development and employers," said Secretary of Labor Elaine L. Chao.

The goal of the **WIRED** initiative is to transform regional economies by enlisting the skills of the numerous and varied players in those economies to research and produce long-term strategic plans that prepare workers for high-skill, high-wage opportunities in the coming years and into the next decade.

"The only way to address the national challenge of global competition is by building strong regional economies," said Assistant Secretary of Labor for Employment and Training Emily Stover DeRocco. "By bringing together all the key players including research universities, venture capital firms and traditional organizations of economic and workforce development, regions can optimize their ability to innovate."

Each of the following regions will receive \$15 million over a three-year period: Coastal Maine (11 counties, including Augusta and Brunswick); Northeast Pennsylvania (nine counties, including Scranton, Allentown and Reading); Upstate New York (nine counties, including Rochester and Finger Lakes region); Piedmont Triad North Carolina (12 counties, including Greensboro and Winston-Salem); Central Michigan (13 counties, including Lansing, Flint and Saginaw); Western Michigan (seven counties, including Grand Rapids); Florida Panhandle (16 counties, including Tallahassee and Pensacola); Western Alabama & Eastern Mississippi (17 counties in Alabama, including Tuscaloosa and Selma and 19 counties in Mississippi, including Meridian and Starkville); North Central Indiana (14 counties, including Lafayette); Greater Kansas City (10 counties in Missouri and eight counties in Kansas, including Topeka); Denver Metro Region (eight counties, including Denver, Boulder and Ft. Collins); Central & Eastern Montana (32 counties covering mostly rural areas); California Coast (13 counties, including Oakland, Los Angeles and San Diego).

**U.S. Department of Labor**  
Frances Perkins Building  
200 Constitution Avenue, NW  
Washington, DC 20210

**1-866-4-USA-DOL**  
TTY: 1-877-889-5627  
**Contact Us**

## Workforce Innovation in Regional Economic Development Selected Regions

Global competition is typically seen as a national challenge. In reality, the front lines of the battlefield are regional, where companies, workers, researchers, entrepreneurs and governments come together to create competitive advantage. That advantage stems from the ability to transform new ideas and new knowledge into advanced, high-quality products or services—in other words, to innovate. And those regions that are successful demonstrate the ability to network innovation assets—people, institutions, capital and infrastructure—to generate growth and prosperity in the region's economy.

While many regions have made considerable progress in integrating talent and skills development into their larger economic strategies, there are regions that need additional technical and financial assistance. Similarly, economic regions no longer correspond to state, county, local workforce investment area or municipal boundaries.

As part of President Bush's new Competitiveness Agenda, the Labor Department has competitively selected 13 economic regions from across the country to assist in the networking of their regional assets. Each region will receive approximately \$15 million in funding over a three period and will be provided on-going expertise from several of the leading organizations in the field of innovation. The goal in each of these regions is to expand employment and advancement opportunities for American workers and catalyze the creation of high-skill and high-wage jobs in regional economies.

The following regions have been selected for the Workforce Innovation in Regional Economic Development (WIRED) Initiative:

**Coastal Maine** – 11 counties including Augusta, Bangor, & Brunswick

**Northeast Pennsylvania** – 9 counties including Scranton, Allentown, and Reading

**Upstate New York** – 9 counties including Rochester and Finger Lakes region

**Piedmont Triad North Carolina** – 12 counties including Greensboro & Winston-Salem

**Central Michigan** – 13 counties including Lansing, Flint, and Saginaw

**Western Michigan** – 7 counties including Grand Rapids

**Florida Panhandle** – 16 counties including Tallahassee and Pensacola

**Western Alabama & Eastern Mississippi** – 17 counties in Ala. including Tuscaloosa and Selma & 19 counties in Miss. including Meridian and Starkville

**North Central Indiana** – 14 counties including Lafayette

**Greater Kansas City** – 10 counties in Missouri & 8 counties in Kansas including Topeka

**Denver Metro Region** – 8 counties including Denver, Boulder, and Ft. Collins

**Central & Eastern Montana** – 32 counties covering mostly rural areas

**California Coast** – 13 counties including Oakland, Los Angeles, and San Diego

## Workforce Innovation in Regional Economic Development Selected Regions

*Workforce Innovation in Regional Economic Development (WIRED) is a new initiative that focuses on the role of talent development in driving regional economic competitiveness, increased job growth and new opportunities for American workers.*

Revolutions in technology and information have ushered in the era we know as globalization. This era is marked by tremendous advances in communications, travel and trade allowing individuals instant access to commerce from almost anywhere in the world. At the same time, American businesses now work not only with companies across the street, but also with companies around the globe. In the new global economy, talent development is a key factor in each business's and our nation's economic competitiveness.

Global competition is typically seen as a national challenge. In reality, the front lines of the battlefield are regional, where companies, workers, researchers, entrepreneurs and governments come together to create competitive advantage. That advantage stems from the ability to transform new ideas and new knowledge into advanced, high-quality products or services – in other words, to innovate. And those regions that are successful demonstrate the ability to network innovation assets – people, institutions, capital and infrastructure – to generate growth and prosperity in the region's economy. These regions are successful precisely because they have connected three key elements: workforce skills and lifelong learning strategies, investment and entrepreneurship strategies, and regional infrastructure and economic development strategies.

### The Road to WIRED

The Federal government invests over \$14 billion every year in talent development through the public workforce investment system. The Labor Department is leveraging those resources with industry and education resources to design innovative education and job training programs. The President's High Growth Job Training Initiative is demonstrating how these partnerships can prepare workers for new and increasing job opportunities in high growth, high demand and economically vital sectors of the American economy.

The President's Community-Based Job Training Grants initiative recognizes that many of the job opportunities available in the 21st century economy require post-secondary education and training, and that our community college system will play a key role in developing the skills of American workers. These grants are competitive and are designed to strengthen the capacity of community and technical colleges to train workers in the competencies and skills required by employers. In short, they will improve their ability to develop talent.



## Workforce Innovation in Regional Economic Development Selected Regions

Though each of these initiatives is important in developing the skills of American workers, we also recognize that workforce development is about more than training individuals for current jobs. In today's economy, talent is an asset, bringing new businesses and industries into communities, and successful workforce investment programs can lead to the creation of new jobs.

### The WIRED Initiative

While many regions have made considerable progress in integrating talent and skills development into their larger economic strategies, there are regions that need additional technical and financial assistance. Similarly, economic regions no longer correspond to state, county, local workforce investment area or municipal boundaries.

The WIRED Initiative is focusing on labor market areas that are comprised of multiple jurisdictions within state or across state borders. It supports innovative approaches to education and workforce development that go beyond traditional strategies preparing workers to compete and succeed both within the United States and globally.

Through the WIRED Initiative, Governors have a unique opportunity to design and implement strategic approaches to regional economic development and job growth. The WIRED Initiative will take place over the course of three years and is intended to catalyze the creation of high-skill and high-wage opportunities for American workers within the context of regional economies. This initiative is designed for regions that have been affected by global trade, are dependent on a single industry or are recovering from natural disasters.

### Critical Factors in Selecting the Regions

The U. S. Department of Labor used the following criteria to judge the proposals received under the WIRED Initiative:

- 1) Demonstration of the strategic *partnership* that is representative of the entire economic region and is comprised of a strong team of regional leaders.
- 2) Presence of impacted economic elements in the region (unemployment, low-wages, low levels of new job creation) and description of the economic and labor market conditions that are driving the *need* for transformation (such as industries that are declining or industries targeted for growth).
- 3) Demonstration of how the region will undergo *transformation* through the implementation of new efforts designed to drive integration among workforce, economic development and education systems; innovation in addressing challenges; and utilizing and building upon existing structures, resources and legislatively funded programs.

# Workforce Innovation in Regional Economic Development Selected Regions

## Planned Actions for Regions Selected under WIRED

- 1) Strategy Development – Map existing economic landscape and understand region's strengths and weaknesses and identify opportunities and risks.
- 2) Galvanize Regional Networks – Build a leadership team consisting of civic, business, investor, academic, entrepreneur, and philanthropic members. Form consensus on action agenda and gain leadership commitment.
- 3) Implementation Coaching – Selected team of experts to provide guidance.

## Additional ETA Actions

- 1) Create a WIRED Academy to share successes and challenges between selected regions and capture that knowledge for other regions.
- 2) Develop performance measures and benchmarks of success to track the short and long-term impact of this initiative.

The following regions have been selected for the Workforce Innovation in Regional Economic Development (WIRED) Initiative:

**Coastal Maine** – 11 counties including Augusta, Bangor, & Brunswick

**Northeast Pennsylvania** – 9 counties including Scranton, Allentown, and Reading

**Upstate New York** – 9 counties including Rochester and Finger Lakes region

**Piedmont Triad North Carolina** – 12 counties including Greensboro & Winston-Salem

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**Denver Metro Region** – 8 counties including Denver, Boulder, and Ft. Collins

**Central & Eastern Montana** – 32 counties covering mostly rural areas

**California Coast** – 13 counties including Oakland, Los Angeles, and San Diego





## PART B – TECHNICAL PROPOSAL

*Abstract* - The Commonwealth of Kentucky and Community Ventures Corporation (CVC) are partnering together, along with various other partners, to implement innovative strategies to foster workforce development, entrepreneurialism, business development/growth, and expanded employment and advancement opportunities for Kentucky workers. The goal is to create Kentucky Entrepreneurial and Workforce Development Centers (KEWDCs) in six different regions throughout Kentucky (see map of center locations/service areas in Attachment 1), from which coordinated education, workforce development and economic development products/services that are flexible and responsive to the specific needs of local businesses and workers can be delivered. This model is based on a regional business model implemented in 1999 known as the Kentucky Entrepreneurial Center (KEC).

In collaboration with many strong partners, CVC has successfully implemented the KEC model in Taylor County. For the past seven years, CVC has collocated with Team Taylor County, which comprises Taylor County's Industrial Development Authority, Chamber of Commerce, and Tourism Commission, as well as Greater Campbellsville United and Campbellsville Downtown Development, and has worked closely with education, civic, economic development and governmental partners to deliver a range of business development and job creation products. These partnerships create a continuum of training and capital resources to assist entrepreneurs and businesses throughout various phases of development, operation and expansion.

This network now desires to solicit partnerships with DOL, KY Department of Workforce Investment, KY Workforce Investment Board, local Workforce Investment Areas and KY One-Stop Career Centers and integrate talent/skills development, job training, and job placement into the existing continuum of business/economic development resources, and create KEWDC's by combining the expertise and programs of the workforce development community with the

entrepreneurial and economic development resources of the current KEC model. This proposed strategy is anticipated to create expanded employment and advancement opportunities for workers and to greatly stimulate economic impact for the region and the state.

Proposed partners for the KEWDC initiative will include the Commonwealth of Kentucky, U.S. Department of Labor, Kentucky Department of Workforce Investment, Kentucky Workforce Investment Board, local Workforce Investment Areas, Kentucky One-Stop Career Centers, and many other national, regional, state, and local economic development, education and workforce development entities, as described in the *Strength of Partnership* section of this proposal. CVC will seek assistance from DOL and Kentucky Department of Workforce Investment to establish the new partnerships with the Kentucky Workforce Investment Board, local Workforce Investment Areas, and Kentucky One-Stop Career Centers for the inclusion of critical workforce development services into the KEWDC model.

The total 3-year project cost is estimated at \$107,016,725 (see Financial Proposal for details) to support development and operation of six Kentucky Entrepreneurial and Workforce Development Centers. Fifteen million is requested from DOL - \$3 million for operations and \$12 million to support loan/ investment activity. Additional funds are expected to originate from the Commonwealth of Kentucky, SBA, USDA, and U.S. Department of Treasury CDFI Fund. CVC will create self-sustaining centers, ensuring continued regional and statewide workforce development, increased employment opportunities and long-term economic stimulation, via earned income raised from business loans and investments.

## KY-WIRED ABSTRACT

Submitted by: Lake Cumberland Area Development District  
Post Office Box 1570  
Russell Springs, Kentucky 42642  
Phone: 270-866-4200  
Fax : 270-866-2044

Project Name: KY-WIRED

### Project Summary:

The Lake Cumberland Area Development District proposes partnering with educators, service providers, sister agencies, public and private sector entities and expert consultants to package and deliver an innovative, forward thinking approach to efficient, effective and relevant job training. It is an on-the-ground, where the rubber meets the road partnership with private industry, to provide what is needed to help them become and remain competitive. A total of 44 partners are committed to implementing training activities to address specific needs of the electric power industry, the technology and information services industries and the homeland security industry. These are four high growth industries in this region and throughout the state of Kentucky and are included in the President's High Growth Initiative. The training products developed as a result of this project will have transferability across the state and throughout the nation, due to the prevalence and pervasiveness of these workforce needs. The service available through this proposal directly impacts the service areas of all the partners which includes and spills over from the 42 county eastern Kentucky region. With training listed on the statewide WIA provider list, it will be available statewide to electric power plants, rural electric cooperatives, technology companies, etc, making WIA funds available to participants statewide. Additionally, training of incumbent workers, entrepreneurial training for youth and adults and targeted forward thinking technological training will be



designed to transform the workforce, making it ready to compete in a global economy.

In a region hard hit by textile closings, coal and timber slowdowns and closures in many labor intensive manufacturing sectors; a region labeled as distressed by federal agencies, and looking at ways to survive in a global marketplace, this initiative provides innovative, transformational change, both in the workforce and in the classroom.

- Key Strategies:
- 1) Develop strategic plan for workforce innovation in a world economy.
  - 2) Establish energy/utility training program to meet a statewide need.
  - 3) Enhance global competitiveness for existing industry.
  - 4) Facilitate international match-marketing.
  - 5) Establish a collaborative network for research and development.
  - 6) PR/Educate business leaders/workforce on ways to compete globally.
  - 7) Foster regionalism to maximize resources and avoid duplication.
  - 8) Initiate education/training techniques targeting high growth industry.
  - 9) Enhance transferability through basic skills development.
  - 10) Design training to upgrade skills for incumbent worker/unemployed.
  - 11) Develop entrepreneurial programs for youth and adults.

Strategic Partnership Members:

Lake Cumberland Area Development District  
Cumberlands Workforce Investment Board  
Somerset Community College  
Kentucky Manufacturing Assistance  
Buffalo Trace Area Development District  
TENCO Workforce Investment Board (Including 18 additional partners)  
Kentucky RECCs (Including 14 Rural Cooperative Partners)  
Kentucky Highlands Investment Corporation  
Somerset/Pulaski County Regional Industrial Training Consortium  
Pine Knot Job Corps Civilian Conservation Center  
Southeast/South Central Educational Cooperative  
Center for Advanced Learning, Inc.  
Science Applications International Corporation

Requested Funding Level: \$5,000,000. Per year for a three year grant period

**ABSTRACT - Kentucky's Nexus for Ongoing Workforce Education and Development in the Global Economy (KNOWLEDGE)**

*Governor Ernie Fletcher, Commonwealth of Kentucky (applicant)*

*Amount Requested: \$14,999,937.00*

Under the leadership of Governor Ernest Fletcher, the Commonwealth of Kentucky has embarked upon one of the most progressive economic development plans in recent history. Key to this strategy is the use of government/educational/private partnerships and the commitment to investing in infrastructure, education, and training to support existing economic strongholds as well as attracting key companies which have long-term sustainable potential. A new public relations campaign highlighted by the state motto, "Unbridled Spirit," captures the optimism and determination of the Fletcher administration to improve the well-being of the citizens of the Commonwealth.

While the strategies in the KNOWLEDGE proposal will be used as models for workforce and community revitalization throughout similar regions of the nation, the initial target region of this project is "Economic Area #94," a 53-county region designated by the U.S. Bureau of Economic Analysis as the "Lexington-Fayette-Frankfort-Richmond, KY Economic Area." This economic region contains seven of the poorest counties in the nation and an Appalachian population base that has been historically under-represented in knowledge-based occupations. While the partnership behind this commitment is diverse, the unifying goal is singular, "To transform the Commonwealth of Kentucky to be the premier place to live, learn, and work."

Key to the success of the KNOWLEDGE project is a diverse and yet united partnership broad partnership which includes the University of Kentucky, Eastern Kentucky University, Northern Kentucky University, Department for Workforce Investment, Bluegrass Workforce Investment Board, Kentucky Community and Technical College System, Associated Industries

of Kentucky, Kentucky Chamber of Commerce, Kentucky Department of Education, Kentucky Cabinet for Economic Development, Kentucky Adult Education-CPE, Center for Quality People and Organizations, Kentucky Science and Technology Council, The Center for Rural Development, and Southern Kentucky Economic Development Corporation.

Led by the University of Kentucky and the Kentucky Cabinet for Economic Development, the KNOWLEDGE proposal contains a holistic and systematic strategy to integrate, innovate and transform economic development for a regional economy in Kentucky. Combining partners and leveraging resources to target a promising yet struggling area, we will apply a broad transformative strategy intended to move an economic region to knowledge-based high wage employment in advanced manufacturing and service industries. The goal of the KNOWLEDGE project is to not only promote economic growth through recruitment and growth of current industries within the region, but to establish a culture of workforce and community-based problem solving. The proposed approach will combine innovations in workforce training, primary, secondary and college education, adult education and lifelong learning, distance learning, industry-university R&D and IP commercialization, industry operations, business development and revitalization and other key aspects of the region's economy.

The attached time-line depicts the specific programs of the KNOWLEDGE project and the aggressive schedule to implement them. Once proven successful and through the help of Arizona State University, the KNOWLEDGE project will serve as a model for other similar economic regions invited to participate in the WIRED initiative.

**Kentucky Workforce Investment Board  
275 E. Main Street 2WC  
Frankfort, Kentucky 40602**

**P. 502.564-2919  
F. 502.564.7452  
[www.kwib.ky.gov](http://www.kwib.ky.gov)**